

DSCA



Business Process Reengineering

By

Mr. Glenn Lazarus, Chief, Business Process Reengineering

(703) 604-6513

Revised 17 Jun 04



BRIEFING OVERVIEW

- **The Evolution of Working Business Processes at DSCA**
- **Reinvention**
- **Business Process Reengineering**
- **Transformation**
- **Policy Evaluation**



BUSINESS PROCESS REENGINEERING



DSCA Definition: Change that will make business processes better, faster, cheaper and/or more responsive to the customer(s).

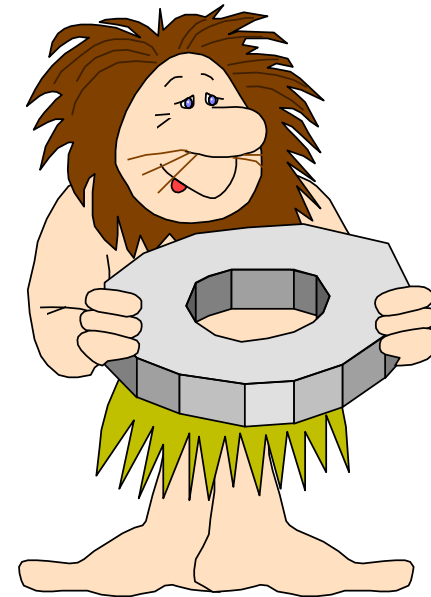
BPR is the facilitator for Innovation.



CRITERIA FOR SELECTING A BUSINESS PROCESS TO REENGINEER



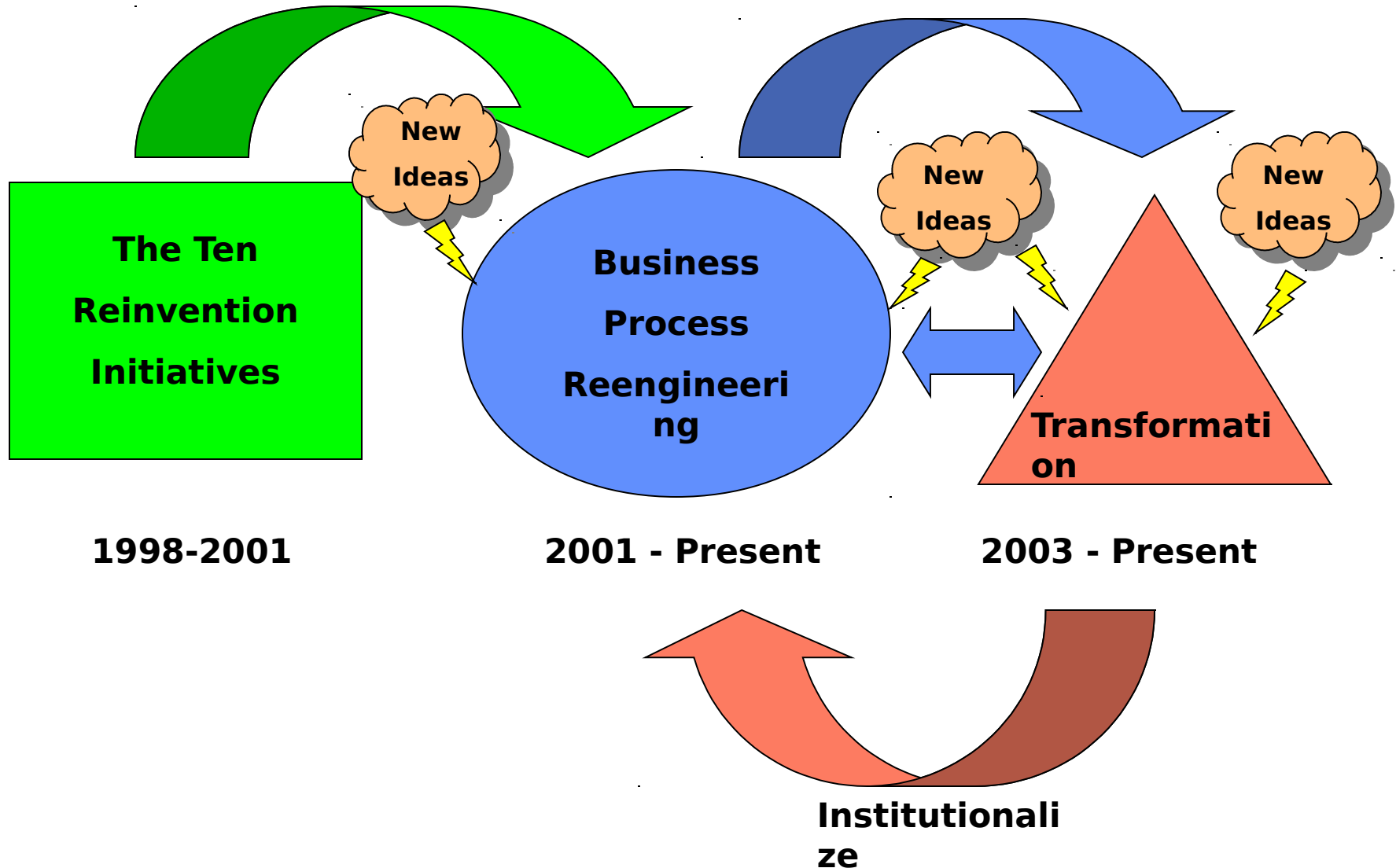
- **Dysfunction**
- **Importance**
- **Feasibility**



Chief, BPR



Business Processes: The Evolution in DSCA





Reinvention Initiatives

- **DepSecDef directed FMS Reinvention in 1998.**
- **August 2000, Director DSCA ordered focus on the critical few.**
- **Four integrated Process Teams were formed.**
- **Ten initiatives announced at DSCA Conference in September 2001.**
- **Transformation Task Force executed a “Report Card” in April 2004**



Reinvention Initiatives

- 1. Team International**
- 2. Standby Letter of Credit,**
- 3. Improved Payment Schedule Methodology**
- 4. Greater Customer Participation in FMS-Related Contract Processes**
- 5. Customer Satisfaction Index**
- 6. Electronic LOA Coordination**
- 7 & 8. Web-Based Security Assistance Customer Handbook and LOR Guide**
- 9. Improved Case Reconciliation and Closure**
- 10. Workforce Initiatives:**
 - Certification and Career Development Guidelines**



METHODOLOGY EMPLOYED in BPR



- 151 business processes examined
- Dec 01 boiled these down to 72.
- BPR Executive Committee formed and chose 15 specific issues to focus on.
- Since its creation, there have been a total of 26 issues on the “Active List”
- Currently there are 13 issues on the Active List.



THE 13 ACTIVE LIST ISSUES

(as of 17 Jun 04)



1. Improve Case Closure and Reconciliation*^^
2. FMS Surcharges*^
3. Security Cooperation Information Portal (SCIP)
4. Refine Cooperative Logistics Supply Arrangement^
5. Qualitative & Quantitative Analysis of FMS Business Activity^^
6. BIC Initiative IT 07^
7. FMS Point-to-Point Material Tracking*^
8. FMS Prime Vendor^^
9. Navy FMS Dual Track^^
10. Military Articles and Services List (MASL) Improvement^
11. DoD EMALL^
12. SDR Write-Off Threshold
13. Life Cycle Sustainment Support^

Green = High Priority

Red = Low Priority

* Indicates FPG identified priority issues

^ Indicates a relationship to one of the FPG's "Brilliant Ideas"



WHAT CONSTITUTES SUCCESS?

THE SIX CORE FUNCTIONS: ACTIVE LIST



Pre-LOR
#1

Case
Development
#2

Case
Execution
#3

Case
Closure
#4

Other
SC
#5

Organizational
Support
#6

5

2

3

1

1

6

4

9

1

1

7

8

1

0

13



Current Status of BPR Projects



- 13 currently on the “Active List”
- Accomplishments:
 - LOR by E-Mail completed.
 - Increasing ILCO flexibility now part of Transformation agenda.
 - Tri-Service ILCO Symposium was held.
- Added to the Active List:
 - Security Cooperation Information Portal (SCIP)
 - FMS Prime Vendor
 - CLSSA brought back from Archived List



ACTIONS ADDED



Security Cooperation Information Portal (SCIP)

- Initiative: Bridge the gap between legacy systems and CEMIS
- Continuing to improve and enhance.
- Requests for SDR-A and Freight Tracking received.
- Also, DIFS Collection Information (via DSAMS), ad hoc query improvements, and DSAMS value tables being considered.
- 472 tokens distributed to 55 countries



ACTIONS ADDED



FMS Prime Vendor

- **DLA/Navy Initiative**
- **DSCA Provided Funding Support at a Critical Point**
- **Streamlines Supply Chain Management**
- **Started with metals, but can be expanded to:**
 - subsistence
 - fire and emergency equipment
 - heavy equipment
 - new development, e.g. electronics
- **DSCA planning on granting a “Gold Seal” of approval and promoting throughout the security**



ACTIONS ADDED

REFINE COOPERATIVE LOGISTICS SUPPLY SUPPORT ARRANGEMENTS (CLSSA)

- Initiative: Refine, improve and streamline the CLSSA process.
- Brought back from the “Archived List”.
- All requirements for CEMIS have been documented.
- In the final stages of process improvement.
- Directive and Instruction will be out very shortly.
- DoD to issue a “super” logistics directive.



NEXT STEPS



- We are working the issues one at a time
- BPR Executive Committee is convoked as required to review and revise the list
- Last meeting held March 29, 2004 and next tentatively scheduled for July.
- Briefed the Foreign Procurement Group in April.
- Working closely with the Transformation Task Force



FMS Transformation



- **DSCA Transformation Task Force (TTF)**
 - Announced by Lt Gen Walters at Security Cooperation 2003 Conference
 - Official memorandum 31 Oct 03 (DSCA 03-25)
- **How is this different from “reinvention” or “business process reengineering?”**
 - Small group – empowered and autonomous – work directly for Lt Gen Walters
 - DSCA TTF personnel keep their current jobs
 - No large, dedicated teams
 - No pre-identified points of contact outside DSCA
- **What are we working on?**
 - Everything is possible and open for exploration
 - Small changes/Big changes



FMS Transformation (Continued)



- **Considerations in selecting projects:**
 - How bad is the problem?
 - How important is the problem (perception-only)?
 - Who cares about this problem?
 - How quickly can we get a solution in place?
 - What is already in-the-works that we can capitalize on?
 - What is it that we can change within DSCA (we have control over)?
 - What is it that we cannot change within DSCA (authority for what we are trying to do resides outside our Agency)?
 - What are the resource implications (cost and savings)?
- **Close tie to BPR to ensure smooth transition of new business processes into community culture and ensure everyday use**



FMS Transformation (Continued)



- **Specific targets to start**
 - "Report Card" for previous efforts
 - Determine cost of writing/executing cases
 - Steps/processes to eliminate
 - Optimum LOA structure
 - Transportation issues - freight tracking
- **How can you participate?**
 - Send us your ideas/proposals/solutions:
fmstransformation@dscs.mil
 - We will contact stakeholders on project-by-project basis
 - Push vice Pull
- **How will you stay informed?**
 - TTF required to brief every SC-5 and SCDF
 - TTF required to advertise successes/changes to maximum extent
 - TTF will provide update anytime requested



FMS Transformation (Continued)



- **Anticipated Deliverables**

- New and/or different ways of doing business
- Policies and procedures refined
- Efficiencies promoted
- Savings realized
- Optimal organization for specific processes (e.g. LOA writing)
- USG and FMS purchaser satisfaction with FMS increased
- Handbooks/manuals (e.g. Case Closure, Drawdowns, etc.)



What We've Done



- **Held informational meetings with:**
 - Navy
 - Compt-RM
 - FPG
 - Air Force
 - Army
 - Security Cooperation Deputies Forum (SCDF)
 - SC-5
 - Security Cooperation Industry Group (SCIG)
- **Issued data calls:**
 - For analysis effort supporting TTF
 - Costs for writing and executing LOAs



What We've Done (continued)



- **Current Projects:**

- Reinvention Report Card - Completed
- LOA Standard Terms and Conditions - Underway
- Freight Tracking - Underway
- FMS Case Recon & Closure Manual - Close to Completion
- FMS Prime Vendor - Underway
- Drawdown Handbook - Completed
- CLSSA - Close to Completion
- Commercial Banking Accounts - Underway
- BIC IT 07 - Close to Completion



What We've Done (continued)



- **Current Projects (continued):**
 - EDA grant on LOAs - Underway
 - Change to pseudo case procedures - Underway
 - Proposed SCIP Enhancements - Underway
 - SDR-A
 - EMALL
 - Freight Tracking
 - End Use Monitoring



Policy Evaluation Too!



- During the past few years, DSCA has issued numerous policies that impact our business
- A key ingredient for ensuring successful policies is to evaluate them on a periodic basis
- Policy evaluation will be a main theme during our FMS Transformation efforts
- Reinvention deliverables, BPR and individual policies are all subject to evaluation



Evaluation Questions



- What benefits were intended by the policy?
- What gains have been realized with the policy?
- Why do intended vs. realized gaps exist?
- What, if any, obstacles exist to fully implement the policy?
- What, if any, refinements to the policy should be made to optimize the value it adds?



Quo Vadis?



- Every time we brief, we get new ideas – and that is a positive thing!
- E-Mails - keep them rolling in to fmstransformation@dsca.mil
- Hope to institutionalize the Transformation ideas into more routine BPR later this year:
 - continue monitoring
 - continue evaluating
 - continue encouraging new input
- Check the DSCA Internet Website for the latest on BPR!